GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:1046
ANSWERED ON:02.03.2015
LOSS MAKING AIRPORTS
Ahmed Shri Sultan ;Trivedi Shri Dinesh

Will the Minister of CIVIL AVIATION be pleased to state:

(a) the details of loss-making airports in the country along with the reasons due to which they are in losses, State/UT-wise;

(b) the details of the losses incurred by these airports during the last three years and the current year, State/UT-wise;

(c) whether the Government has proposed privatization of loss-making airport in the country; and

(d) if so, the details thereof along with the other steps taken or being taken by the Government to make these airports viable and profitable?

Answer

Minister of State in the Ministry of CIVIL AVIATION (Dr Mahesh Sharma)

(a) & (b): The details of airports which have incurred losses during last three years, state-wise/ U 1-wise are at Annexure-L The losses incurred at various airports are primarily due to low air traffic movements resulting in lesser aeronautical revenue, low non-aeronautical revenue potential and basic operating expenditure on account of regulatory/IATA and security requirements.

(c) & (d): No, Madam. Presently, there is no such proposal to privatize the airports in the country. However, Government of India (Go!) has initiated the process for undertaking Operations, Management and Development of Jaipur airport, w hich is a loss making airport, through Public Private Partnership (PPP) mode. The Airports Authority of India (AAI) has initiated several steps to make the loss making airports viable and profitable by development of cargo activities, enhancement of non-aeronautical revenue through revision of rates and awarding of contracts through master concessions, allowing operation of flying schools at non-operational airports, encouraging Maintenance, Repair & Operations (MRO) activities and revision of base rates.